

**Consultation Title: The Renewable Heat Incentive: Support for Biomass Combined Heat and Power**

**Date: 10/03/2017**

**To: Department for Business, Energy & Industrial Strategy**

**From: Scottish Land & Estates  
Stuart House  
Eskmill  
Musselburgh  
EH21 7PB**

**Telephone: 0131 653 5400**

**E Mail: [gavin.mowat@scottishlandandestates.co.uk](mailto:gavin.mowat@scottishlandandestates.co.uk)**

Scottish Land & Estates is a member organisation that uniquely represents the interests of both land managers and land-based businesses in rural Scotland. Scottish Land & Estates has members with interests in a great variety of land uses and welcomes the opportunity to respond to this consultation. Scottish Land & Estates and its members recognise the risks of climate change and support the government objectives to reduce emissions. For our members biomass-CHP is an effective means of decarbonisation in relatively energy intensive producers and offers grid benefits in often remote locations.

- 1. Do you agree it is appropriate to limit access to the biomass-CHP tariff for plant which produce only low levels of power, and support some of the heat use provided for by such plant under the standard biomass tariff? Yes / No. Please expand.**

In recognition of the need for value for money, Scottish Land & Estates agrees with the above. However, we believe that renewable energy still requires reliable incentives to encourage innovation, drive deployment and reduce the cost of technology. It is also important to acknowledge the higher capital and operational costs faced by biomass-CHP plant compared with biomass heat-only plant when considering additional support.

- 2. Do you agree that the use of a power efficiency threshold is the best way to determine the extent to which a plant's heat output is paid for under the biomass-CHP tariff, with the remainder paid for under the biomass tariff? Yes / No.**

Yes

**3. If 'No' to Question 2, what method would be more appropriate, and why?**

**4. Do you agree a power efficiency threshold of 20% is appropriate? Yes / No**

Not entirely

**5. If 'No' to Question 4, what threshold would you suggest, and why?**

We would prefer 10%. While we recognise it is important that such systems are not over incentivised, as is noted in the consultation document, a 20% efficiency is not necessarily achievable by all types of biomass-CHP plant in all circumstances. This is particularly relevant to small, innovative applications of biomass-CHP which are unlikely to achieve the 20% power efficiency.

Moreover, Scottish Land & Estates is of the opinion that if the current threshold of 10% was left unchanged there would less likely be a reduction in the deployment of biomass-CHP plant and no subsequent fall in heat generation as projected in the consultation. We do not, however, see this threshold as being set in stone. As technology improves and costs go down, there is clearly an opportunity for an incremental increase in the threshold but this must be subject to continued consultation with stakeholders.

**6. Does your interest in the RHI relate to the operation of the schemes in a particular geographical area? (select all that apply)**

- a) England
- b) Wales
- c) Scotland

Scotland only